From: Patrick Mowry
To: Microsoft ATR
Date: 1/23/02 11:44am
Subject: Microsoft Settlement

Good Day,

Here are my main complaints about the proposed final judgement. I will keep it brief. IT prohibits certain behaviors by Microsoft towards OEMs, but allows the following exclusionary practices:

Section III.A.2. allows Microsoft to retaliate against any OEM that ships Personal Computers containing a competing Operating System but no Microsoft operating system.

Section III.B. requires Microsoft to license Windows on uniform terms and at published prices to the top 20 OEMs, but says nothing about smaller OEMs. This leaves Microsoft free to retaliate against smaller OEMs, including important regional 'white box' OEMs, if they offer competing products. I have worked for these smaller OEMs in the past. They are no longer in business because of practices like this.

Section III.B. also allows Microsoft to offer unspecified Market Development Allowances -- in effect, discounts -- to OEMs. For instance, Microsoft could offer discounts on Windows to OEMs based on the number of copies of Microsoft Office or Pocket PC systems sold by that OEM. In effect, this allows Microsoft to leverage its monopoly on Intel-compatible operating systems to increase its market share in other areas, such as office software or ARM-compatible operating systems.

By allowing these practices, the settlement is encouraging Microsoft to extend its monopoly, and to leverage it into new areas. This settlement is of no use to those it is supposed to protect, the people of the United States. I support measures defined in the state alternative settlement, but it also needs further review.

Thank you for your time,

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